

Amendment No. 1 to SB2243

Tracy
Signature of Sponsor

AMEND Senate Bill No. 2243

House Bill No. 2381*

by deleting all language after the enacting clause and by substituting instead the following:

SECTION 1. Tennessee Code Annotated, Title 4, Chapter 3, Part 23, is amended by adding the following language as a new section:

4-3-2312.

(a) Notwithstanding any provision of law to the contrary, the commissioner of transportation may, with the approval of the state funding board established by § 9-9-101, enter into a negotiated contract or contracts with a bank, investment bank or similar financial institution for the following purposes:

(1) To stabilize the net expense of the department of transportation in the purchase of gasoline, diesel, or other fuels for the department's own use; or

(2) To stabilize the net expense of the department in paying for items of work in its highway construction contracts that allow for price adjustments based on changes in the cost of fuel, bituminous materials, or other materials.

(b) The contracts entered into under this section may include, without limitation, financial instruments commonly referred to as hedges, futures, options, swap transactions, or any similar financial instrument for cost stabilization.

(c) Notwithstanding any provision of law to the contrary, the contracts authorized in this section may be procured in such manner and executed in such form as approved by the state funding board. The contracts authorized herein are not contracts for services subject to the provisions of § 12-4-109.

(d) When entering into any contract authorized under this section, the written contract shall provide that the rights and remedies of the parties thereto shall be governed by the laws of the state of Tennessee or the laws of such other state or nation

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as may bear a reasonable relationship to the transaction; provided, however, that any suit, action, or proceeding at law or in equity against the state shall be brought solely in any court of competent jurisdiction in Davidson County, Tennessee.

(e) The authority granted under this section is in addition to, and supplemental to, any existing authority granted under any other law.

SECTION 2. If any provision of this act or the application thereof to any person or circumstance is held invalid, such invalidity shall not affect other provisions or applications of the act which can be given effect without the invalid provision or application, and to that end the provisions of this act are declared to be severable.

SECTION 3. This act shall take effect upon becoming a law, the public welfare requiring it.